Sri Lanka faces a serious Danger…..

36 Bills that affect lives of the people to be introduced, without public knowledge

The Government is preparing to pass 36 Bills in Parliament just within one month. The Parliament would meet continuously during the month of August and if necessary part of September to get these through. Minister G.L. Peiris stated that these are not just temporary measures, but would be a comprehensive and long term approach. These laws according to the Government would have implications on the economy and on the lives of the people.

It was only on the 18th of July that the Minister announced the names of these bills. He articulated that only 8 of these bills had been drafted at that stage, and the rest would subsequently be completed. He also said that the drafts of these Bills would be presented at the meeting of the party leaders on the 25th of July, just 5 days before the beginning of August. Since the intention of the Government was gain approval of these bills in August, it meant that there would be only 12 days for the drafting of 28 Bills. Furthermore, the members of Parliament and the Ministers had only five days to study and decide on 36 bills. As it transpired, this presentation to the leaders of political parties did not take place meaningfully since on the day this was to be done there was a fight among the parliamentarians. As a result no one in the country is aware of the specific contents or implications of these bills, despite the fact that we have reached the crucial month of August, when the fate of the economy and of the people is due to be decided.

Democratic procedure to be adopted in legislating

In a democratic country, the accepted principles of good governance demands openness, transparency, accountability and participation of the people in deciding on policies and in legislating. Once laws are made the people have to obey, since it is assumed that they have agreed to them and that they made these laws themselves through their elected representatives. Therefore it is obvious that the people should be given sufficient time and opportunity to understand and think about whatever laws are being introduced. They should also be given adequate time and space to express their views. It is the responsibility of the law makers to ensure that the people are made
fully aware of the possible implications of such laws. Given Sri Lanka's long history of parliamentary democracy, people expect this process will be respected and adhered to.

The World Bank and the IMF claim to strongly advocate the principles of good governance. Simultaneously, the Sri Lankan Government claims to adhere to these principles. However neither the World Bank, the IMF or the Sri Lankan Government apply these principles in their operations. These principles are particularly essential in going through a comprehensive process of legislating on matters that affect the lives of the people and the future of the economy of a country.

What we see happening now is the complete opposite. Presently, Members of Parliament or Cabinet Ministers, who will have to vote, have not been given the opportunity to scrutinise or sufficiently understanding what they are going to approve.

Among the list of Bills that have been named, there are issues over which serious debates and controversies have arisen in the country. Moreover, some of the subjects included have resulted in worldwide controversies.

More recently strong protests have taken place in the country when previous attempts were made to introduce some of these measures. Some of the proposals have been opposed by Sri Lankans for many years. The 36 Bills are listed below: (particularly controversial Bills are highlighted)

Fiscal Responsibility, **Monetary Law (Amendment), Revenue Authority, Inland Revenue (new income tax scheme), Welfare Benefit**, **Bank Rescue**, Financial Institutions, **EPF and ETF Supervision**, **Public Utilities Commission**, **Land Ownership**, Economic Management, **Reducing Delays in Industrial Inquiries**, Youth Corps, **Intellectual Property**, **BoI**, **Tourism**, **Human Settlement Planning**, **Rain Forests**, Exploration of Oil and Natural Gas, Gramodya Mandalaya National Sports Authority, Cinema Exhibition, **Development Projects Land Acquisition**, **Electricity Act**, **Financial Sector Revamping (Banking Act, Finance Companies Act, Leasing Act, Securities and Exchange Commission Act),** School Board Act, **Water Supply and Distribution Act,** Parliamentary Scholarship Board, **Petroleum Products**, **Repeal of Press Council**, **Repeal of Special Presidential Commission**, **Freedom of Information**, **18th Amendment to the Constitution**, Local Authorities Election Candidates (Special Provision), Prevention of Dengue, **New Monetary Law (includes Exchange Management)**.

Therefore, it is absolutely necessary that the Government must declare its policies in relation to these controversial issues. Specifically, we are requesting the Government to immediately publish the issues in the media in simple language in order to facilitate discussion among people, particularly those who are likely to be affected (stake holders). This will give the people of Sri Lanka the opportunity to discuss the issues with their elected representatives so that they may prepare legislation taking into consideration the views thus expressed by the people.

Why the Haste?

It is important to ask and understand why there is this rush to legislate without informing and consulting the people or even the representatives of the people.

The decision to introduce 36 Bills was taken at the Sri Lankan Development Forum with the World Bank and the IMF on 5 – 6 June 2002. The actual decisions on World Bank and IMF loans to the government will be decided during October or November 2002. It is our feeling that the loans are conditional on the 36 Bills being passed through successfully in Parliament within the next two months. Therefore it is reasonable to assume that the World Bank and the IMF are behind encouraging the Sri Lankan Government to drastically violate the principles of good governance.

Sri Lanka Development Forum – between the Government and the World - Bank

On June 5-6, 2002 the annual meeting, "Sri Lanka Development Forum" between the Government of Sri Lanka and the World Bank was held in Colombo for the first time. It is well known, that this is the crucial meeting that is conducted between the WB / IMF and the Government of Sri Lanka to discuss and decide on the recommendations that the WB and IMF are making regarding economic policies and adjustments in the economic structures. It is also the time to decide on the commitments that the Sri Lankan government would make in response to WB/IMF recommendations. This has therefore become the meeting where the economic fate of the people and the future of the economy of the country has been decided.Prior to the meeting, the Sri Lankan government did not make public any details concerning issues that were to be raised with the World Bank and the IMF. The Sri Lankan Government produced a comprehensive policy document titled "Connecting to Growth: Sri Lanka's Poverty Reduction Strategy" which was presented to the WB and IMF at the Development Forum. Despite the Government claiming that this document was prepared drawing upon comprehensive consultations with stakeholders over a four year period, in reality this major document had not been made privy to the majority of people in Sri Lanka nor to a majority of the Members of Parliament prior to its launch at the Development Forum. Nor was there any public announcement about the preparatory process or the existence of this document. One could imagine that these proposals were worked out and discussed in consultation with the business community given the document talks of adjusting the entire economy to benefit and facilitate a private sector led economy. Possible very few NGOs and people from other civil society organisations, who do not represent the best interests of the poor, may have been included in the discussions. It is very strange that a strategy for poverty reduction has been worked out without any knowledge or participation of the poor or representatives of organisations that represent the poor.

This document, which is of major significance to the future of Sri Lanka, is still only available in English. Additionally over the four year period, contents of this policy document have failed to appear in the media.

"Poverty Reduction Connected to Growth"
24 years of strategy failure ignored

This report clearly states that "one of the central objectives of the Government is to restore economic growth and thereby effectively eliminate poverty in Sri Lanka".

It further states that “the Government has a set target growth rate of 10 percent. This will be necessary not only to substantially reduce poverty, but also to carry out the necessary reconstruction and rehabilitation to ensure a permanent end to the conflict in the North and East”.

It is clearly articulated throughout the document that the country will undergo a comprehensive process of change in order to ensure that big businesses, both foreign and local will flourish, whilst most of the essential services and resources available to the poor and ordinary people will be sacrificed.

The policy document completely ignores the fact this economic growth related strategy for poverty reduction has been implemented in Sri Lanka, with almost complete failure, over the last 24 years. This is made evident by the negative growth rate the country endured last year and the country’s huge debt burden on the poor.

People’s resistance to privatisation ignored

Despite the promises made against water privatisation as a result of the prominent resistance against the issue in Sri Lanka in the past, the Government clearly states that water supply in the cities and urban areas will be given to private companies. Furthermore, State Banks and Insurance Corporation (that made a profit of one billion rupees last year), electricity, sanitary services, much of education, health, railway and other public services will also be privatized.

It proposes to facilitate and support the big multinational companies and other big businesses to be brought to all rural areas as the way for reduction of poverty.

Infrastructure Development - Who pays, who benefits?

The poor compelled to subsidise the Rich

Massive construction of ports, roads and other infrastructure has been proposed to bring these investors to the country and to the distant rural areas.

The document proposes inviting the private sector to engage in these infrastructure developments, completely ignoring the experiences of the last 24 years of failed efforts in this area. Thus, this will only worsen the situation that already exists where the poorest people are compelled to bear the burden of loans taken to provide these facilities to the richest people in the world.

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Small farmers and domestic agriculture to be destroyed

It also proposes that the rural farmers (numbering 1.8 million families) should be pushed out of their small land holdings and encouraged to move into cities in order to make land available for bigger investors to undertake large scale commercial farming using higher technology. This is based on the simple assumption that these millions of displaced people would be absorbed into non farm employment. This ignores the reality that Sri Lanka has had two rebellions in the South (the second of which resulted in 60,000 disappearances and a War in the North-East (where another 60,000 were killed) largely due to the fact that the urban industries or other opportunities were not available to absorb the youth who were displaced as a result of a weakening or breaking down of the rural economy.

It also ignores the other reality that the only industrial sector that had some growth over the last 24 years, namely the export garments sector is now breaking down rapidly and is doomed to completely break down when the US and EU quotas of garment imports disappear with the end of the Multi- Fibre Agreement by the year 2005.

There was no public announcement regarding the discussions and agreements that were reached at the above meeting between the Government and the WB /IMF.

On the 4th of July the Prime Minister made an announcement to the nation that the Government would bring in a full package of legislation to push through all the necessary legal arrangements to carry out the promises that were made to the WB and IMF. The Representative of the WB who attended the Sri Lanka Development Forum
insisted in her concluding speech that what was necessary was SPEED. She also stressed on the importance of communication. But while speed is attempted as described earlier, communication with the people of these plans is completely avoided.

Prime Minister's visit to Washington – Assuring WB / IMF and US

The Prime Minister's visit to the United States, where he met with Mr. Bush, Mr. James Wolfensohn and the Director of the IMF was not only to discuss peace processes but also to provide them with the assurance that Sri Lanka will be executing the agreements reached with the WB and IMF. The Prime Minister had a 9 hour discussion with President Chandrika, before he left for Washington. (inspite of the big fight that was going on between her and the Ministers of the UNP government over the issue of "what she carried in her hand bag when she attended the Cabinet meeting". These days all media was full of stories which covered fights around the issue of the contents of Chandrika's hand bag). It was not revealed whether or not there was any thing discussed between the President and the Prime Minister on the above economic matters. Any intelligent guess would say that the Prime Minister was looking for and received an assurance that the Opposition would support these economic adjustment programmes. This support from the opposition was forthcoming as a result of the Peoples Alliance previous support and attempts at the same reforms demanded by the WB/IMF in the past.

Absence of transparency and democracy – An ongoing practice approved by WB

This is not the first time that major legislation which has negative consequences on the people and the poor has been approved in secrecy. During the last years of the previous regime there was a massive project decided upon with the World Bank to "overhaul the entire legal system in the country in order to facilitate the private sector led economy in collaboration with the World Bank"

It is a strange coincidence that the Minister responsible for introducing and working out this programme with the World Bank then was Prof. G.L.Peiris who is now designing the new package of legislation for the same purpose under the new Government. It may not be an accident that he crossed over when the Government changed in order to complete the tasks that he had undertaken for the World Bank. The striking similarity is that both these programmes were hidden from the public, hence creating no opportunity for public debates and discussions.

This practice of adopting a destructive process of decision making on matters that affect the lives of the people so much is undemocratic. Furthermore, it is a serious crime against the people, particularly the poor and against the future of the country's economy.

We say this with assurance because we are confident that people, the poor particularly have far more effective strategies to overcome their poverty, providing they are given the opportunity to adequately participate in discussion regarding strategies for poverty reduction. We also feel very strongly that no government has a right to impose a continuation of a strategy that has proved to be a massive failure for over 24 years without allowing the people to decide whether they are willing to accept it.

An Obstacle to Genuine and Lasting Peace

It is totally unacceptable to allow the use of the great desire that people have for peace and the strong support extended by the people of all communities to the peace process to carry out such an undemocratic process against the interests of the people. This would certainly become a tremendous obstacle to long term sustainable peace. Peace can only be maintained if the Government and the external forces intervening commit to the principle that human rights of people need to be protected. The benefits of peace should go to the poor who have suffered most as a result of the war and not to the big businesses that will come to deprive the poor of their livelihood, resources and rights.

Appeal to people and to the International Community

We would like to appeal to all Governments who are members of the World Bank to ensure that World Bank and the IMF would not be permitted to become agents in increasing the suffering and the unbearable burdens on the poor, using such anti democratic ways in the name of formulating "strategies for poverty reduction".

We would like to extend this appeal to the respective Governments through the Diplomatic Missions in Sri Lanka.

We appeal to all political parties in the country, Members of Parliament, the Ministers of the Cabinet, all social and religious leaders, people's organisations, Trade Unions the mass media, intellectuals and the people in general to express their opposition to these plans against the people, to demand that these proposed laws be revealed to the people for discussion, make efforts to explain to the people their contents and the consequences and to obtain enough time and opportunity for people to express their views.

Statement Endorsed By:

Campaign statement endorsed by

- Ven. Mankadawela Piyaratana Niyake Thero, President, Committee for the Protection of Eppawela Phosphate Deposit
- Ven. Keeranthidiye Pnnasekara Thero
- Ven Buddiyagama Chandraratane Thero
- Rev. Father Sarath Iddamalgoda
- Rev. M Sathibel, St Thomas' Church
- Co-Secretary, Movement for National Land and Agricultural Reform (MONLAR)
- Green Movement of Sri Lanka
- Bank Employees Union
- Public Services Trade Union Federation
- Free Trade Zone Workers Union
- Industrial, Transport and General Workers Union
- New Left Front
- All Island Samurdhi Development and Agricultural Research Production Assistance Officers Society
- Organisation for Safe Guarding Life and the Environment (OSLEN)
- Rajarata Janodhaya
- United Trade Union Federation of the Irrigation Department
- United Workers Federation
- United Government Workers Federation
- Centre for Family Services
- Movement for Protection of Samurdhi Rights
- Mahasen Human Foundation
- Peoples Alliance for Real Democracy
- Human Development Centre - HUDEC
- Human Development Organization – Polpithigama
- Movement for Mothers to Combat Malnutrition
- Dabindu Collectives
- JANAWABODA Kendraya
- Movement for Defence Democratic Rights
- Human rights Committee – Gampaha District
- Kantha Shakthis
- Women Development Foundation
- SAVISTHRIE Organization
- Centre for People Dialogue
- SETTIK
- Community Education Centre
- Southern Fisheries Organization – Dodanduwa
- Southern Fisheries Organization – Matara
- Uva Wellassa Peasant Women Organization – Ethiliwewa
- Rajarata Peasant Women Organization – Kalakabarawewa
- Eastern United Women Organization – Kantale
- Centre for Fisheries Development Solidarity – Negambo

- SADUJANARAWA Group
- Human Development Organisation
- Navayuga Social Development Forum
- Christian Workers Fellowship
- Workers Development Centre
- Kotagala Samuga Sesai Mandram
- Agricultural and Rural Workers Development Society
- Arsising Sun Community Development Organisation
- GSS Ltd (Gami Seva Sevana
- Human Development Foundation
- Human Development Organisation
- Human Educational Aid relief Trust Society
- Navayuga Social Development Forum
- Participatory Action & Learning Methodology
- Prosperity of Workers Employed in the Rural Sector
- Plantation and Rural Education and Development Organisation
- Society for Welfare and Educational Awareness training
- Social Welfare Mandram
- Uva Community Development Centre
- Uva Farmers Development Foundation
- United Welfare Aid Centre
- Uva Workers Aid Centre
- Up Country Workers Information Development Foundation
- Plantation Workers Service Centre
- Womens Development Centre
- Workers Development Centre
- Plantation Women Development Organisation
- Sri Lanka Jathika Peace Development Society
- Christian Workers Fellowship
- Satyodaya
- Sri Lanka United Agro – Society
- People Foundation ‘SETIC’
- Institution of Social Devlopment
- NGO Forum for Plantation Organisation
- Leo Marga Ashram
- Workers Development Society
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Further organizations and individuals are currently being mobilized to support the statement.

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